inflamed by the teachings of professed anarchists, and probably also by the reckless utterances of those who, on the stump and in the public press, appeal to the dark and evil spirits of malice and greed, envy and sullen hatred. The wind is sowed by the men who preach such doctrines, and they cannot escape their share of responsibility for the whirlwind that is reaped. This applies alike to the deliberate demagogue, to the exploiter of sensationalism, and to the crude and foolish visionary who, for whatever reason, apologizes for crime or excites almless discontent.

The blow was aimed not at this President, but at all Presidents; at every symbol of government. President McKinley was as emphatically the embodiment of the popular will of the Nation expressed through the forms of law as a New England town meeting is in similar fashion the embodiment of the law-abiding purpose and practice of the people of the town. On no conceivable theory could the murder of the President be accepted as due to protest against "inequalities in the social order." save as the murder of all the freemen engaged in a town meeting could be accepted as a protest against that social inequality which puts a malefactor in jail. Anarchy is no more an expression of "social discon-

tent" than picking pockets or wife beating. The anarchist, and especially the anarchist in the United States, is merely one type of criminal, more dangerous than any other because he represents the same depravity in a greater degree. The man who advocates anarchy directly or indirectly, in any shape or fashion, or the man who apologizes for anarchists and their deeds, makes himself morally accessory to murder before the fact. The anarchist is a criminal whose perverted instincts lead him to beneficent form of social order. His protest of concern for workingmen is outrageous in its impudent falsity; for if the political institutions of this country do not afford opportunity to every honest and intelligent son of toil, then the door of hope is forever closed against him. The anarchist is everywhere not merely the enemy of system and of progress, but the deadly foe of liberty. If ever anarchy is triumphant, its triumph will last for but one red moment, to be succeeded for ages by the gloomy night of despotism.

For the anarchist himself, whether he preaches or practices his doctrines, we need not have one particle more concern than for any ordinary murderer. He is not the victim of social or political injustice. There are no wrongs to remedy in his case. The cause of his criminality is to be found in his own evil passions and in the evil conduct of those who urge him on, not in any failure by others or by the state to do justice to him or his. He is a malefactor and nothing else. He is in no sense, in no shape or way, a "product of social conditions," save as a highwayman is "produced" by the fact that an unarmed man happens to have a purse. It is a travesty upon the great and holy names of liberty and freedom to permit them to be invoked in such a cause. No man or body of men preaching anarchistic doctrines should be allowed at large any more than if preaching the murder of some specified private individual. Anarchistic speeches, writings and meetings are essentially seditious and treasona-

To Keep Out Anarchists.

I earnestly recommend to the Congress that in the exercise of its wise discretion it should take into consideration the coming to this country of anarchists or persons professing principles hostile to all government and justifying the murder of those placed in authority. Such individuals as those who not long ago gathered in open meeting to glorify the murder of King They and those like them should be kept out of this country, and if found here they should be promptly deported to the country whence they came; and farreaching provision should be made for the calls more urgently for the wisest thought

diction over any man who kills or attempts to kill the President or any man who by the Constitution or by law is in line of succession for the Presidency, while the punishment for an unsuccessful attempt should

Anarchy is a crime against the whole human race; and all mankind should band against the anarchist. His crime should be made an offense against the law of nations, like piracy and that form of manstealing known as the slave trade; for it is of far blacker infamy than either. It should be so declared by treaties among all civilized powers. Such treaties would give to the Federal Government the power of dealing with the crime.

A grim commentary upon the folly of the anarchist position was afforded by the attitude of the law toward this very criminal who had just taken the life of the Prestdent. The people would have torn him limb from limb if it had not been that the law he defled was at once invoked in his behalf. So far from his deed being committed on behalf of the people against the Government, the Government was obliged at once to exert its full police power to save him from instant death at the hands of the people. Moreover, his deed worked not the slightest dislocation in our governmental system, and the danger of a recurrence of such deeds, no matter how great it might grow, would work only in the direction of strengthening and giving harshness to the forces of order. No man will ever be restrained from becoming President by any fear as to his personal safety. If the risk to the President's life became great, it would mean that the office would more and more come to be filled by men of a into anarchy, and if anarchists should ever become a serious menace to its institutions. they would not merely be stamped out, but would involve in their own ruin every active or passive sympathizer with their doctrines. The American people are slow to wrath, but when their wrath is once kin-

dled it burns like a consuming flame.

During the last five years business confidence has been restored, and the Nation is to be congratulated because of its present abounding prosperity. Such prosperity can never be created by law alone, although it is easy enough to destroy it by mischievous laws. If the hand of the Lord is heavy upon any country, if flood or drought comes, human wisdom is powerless to avert the calamity. Moreover, no law can guard us against the consequences of our own folly. The men who are idle or credulous, the men who seek gains not by genuine work with head or hand but by gambling in any form, are always a source of menace not only to themselves but to others. If the business world loses its head, it loses what legislation cannot supply. Fundamentally the welfare of each citizen, and therefore the welfare of the aggregate of citizens which makes the Nation, must rest upon individual thrift and energy, resolution and intelligence. Nothing can take the place of this individual capacity; but wise legislation and honest and intelligent adninistration can give it the fullest scope, the largest opportunity to work to good ef-

The tremendous and highly complex industrial development which went on with ever accelerated rapidity during the latter half of the nineteenth century brings us face to face, at the beginning of the twentieth, with very serious social problems. The old laws, and the old customs which porations engaged in interstate com-

had almost the binding force of law, were once quite sufficient to regulate the accumulation and distribution of wealth. Since the industrial changes which have so enormously increased the productive power of mankind, they are no longer sufficient.

The growth of cities has gone on beyond comparison faster than the growth of the country, and the upbuilding of the great industrial centers has meant a startling increase, not merely in the aggregate wealth, but in the number of very large individual, and especially of very large corporate, fortunes. The creation of these great corporate fortunes has not been due to the tariff nor to any other governmental action, but to natural causes in the business world, operating in other countries as they operate

in our own. The process has aroused much antagonism, a great part of which is wholly without warrant. It is not true that as the rich have grown richer the poor have grown poorer. On the contrary, never before has the average man, the wage-worker, the farmer, the small trader, been so well off as in this country and at the present time. There have been abuses connected with the accumulation of wealth: vet it remains true that a fortune accumulated in legitimate business can be accumulated by the person specially benefited only on condition of conferring immense incidental benefits upon others. Successful enterprise, of the type which benefits all mankind can only exist if the conditions are such as to offer great prizes as the rewards of suc-

The Captains of Industry. The captains of industry who have driven the railway systems across this continent, who have built up our commerce, who have developed our manufactures, have on the whole done great good to our people. Without them the material development of which we are so justly proud could never have taken place. Moreover, we should recognize the immense importance to this material development of leaving as unhampered as is compatible with the public good the strong and forceful men upon whom the success of business operations inevitably rests. The slightest study of business conditions will satisfy anyone capable of forming a judgment that the personal equation is the most important factor in a business operation; that the business ability of the man at the head of any business concern, big or little, is usually the factor which fixes the gulf between striking success and hopeless failure.

An additional reason for caution in dealing with corporations is to be found in the international commercial conditions of today. The same business conditions which have produced the great aggregations of corporate and individual wealth have made them very potent factors in international commercial competition. Business concerns which have the largest means at their disposal and are managed by the ablest men are naturally those which take the lead in the strife for commercial supremacy among the nations of the world. America has only just begun to assume that commanding position in the international business world which we believe will more and more be hers. It is of the utmost importance that this position be not jeoparded, especially at a time when the overflowing abundance of our own natural resources and the skirl, business energy, and mechanical aptitude of our people make foreign markets essential. Under such conditions it would be most unwise to cramp or to fetter the youthful strength of our Nation. Moreover, it cannot too often be pointed out that to strike with ignorant violence at the interests of one set of men almost inevitably endangers the interests of all. The fundamental rule in our national life-the Humbert of Italy perpetrate a crime, and rule which underlies all others-is that, on the law should ensure their rigorous pun- the whole, and in the long run, we shall go up or down together. There are exceptions and in times of prosperity some will prosper far more, and in times of adversity some will suffer far more, than others; but speaking generally, a period of good punishment of those who stay. No matter | times means that all share more or less in them, and in a period of hard time all feel the stress to a greater or less degree. It surely ought not to be necessary to enter into any proof of this statement: the memory of the lean years which began in 1893 is still vivid, and we can contrast them with the conditions in this very year which is now closing. Disaster to great business enterprises can never have its effects lim-

> even bare necessities. The mechanism of modern business is delicate that extreme care must be taken not to interfere with it in a spirit of rashness or ignorance. Many of those who have made it their vocation to denounce the great industrial combinations which are popularly, although with technical inaccuracy, known as "trusts," appeal especially to hatred and fear. These are precisely the two emotions, particularly when combined with ignorance, which unfit men for the exercise of cool and steady judgment. In facing new industrial conditions, the whole history of the world shows that legislation will generally be both unwise and ineffective unless undertaken after calm inquiry and with sober self-restraint. Much of the legislation directed at the trusts would have been exceedingly mischievous had it not also been entirely ineffective. In accordance with a well-known sociological law, the ignorant or reckless agitator has which he has been nominally opposing. In dealing with business interests, for the government to undertake by crude and illconsidered legislation to do what may turn out to be bad, would be to incur the risk of such far-reaching national disaster that it would be preferable to undertake nothing at all. The men who demand the impossible or the undestrable serve as the allies of the forces with which they are nominally at war, for they hamper those who would endeavor to find out in rational fashion what the wrongs really are and to what extent and in what manner it is practical to apply remedies.

throughout, and while it is bad for every-

body, it is worst for those farthest down

The capitalist may be shorn of his luxuries;

All this is true; and yet it is also true that there are real and grave evils, one of the chief being over-capitalization because of its many baleful consequences; and a resolute and practical effort must be made to

correct these evils. There is a widespread conviction in the minds of the American people that the great corporations known as trusts are in certain of their features and tendencies hurtful to the general welfare. This springs from no spirit of envy or uncharitableness. nor lack of pride in the great industrial achievements that have placed this country at the head of the nations struggling for commercial supremacy. It does not rest upon a lack of intelligent appreciation of the necessity of meeting changing and changed conditions of trade with new methods, nor upon ignorance of the fact that combination of capital in the effort to accomplish great things is necessary when the world's progress demands that great things be done. It is based upon sincere conviction that combination and concentration should be, not prohibited, but supervised and within reasonable limits controlled; and in my judgment this conviction is right.

It is no limitation upon property rights of freedom of contract to require that when men receive from Government the privilege of doing business under corporate form which frees them from individual responsibility, and enables them to call into their enterprises the capital of the public, they shall do so upon absolutely truthful representations as to the value of the property in which the capital is to be invested. Cor-

should be regulated if they are found to exercise a license working to the public injury. It should be as much the aim of those who seek for social betterment to rid the business world of crimes of cunning as to rid the entire body politic of crimes of violence. Great corporations exist only because they are created and safeguarded by our institutions; and it is therefore our right and our duty to see that they work in harmony with these institutions.

Treatment of Trusts.

The first essential in determining how to deal with the great industrial combinations is knowledge of the facts-publicity. In the interest of the public, the Government should have the right to inspect and examine the workings of the great corporations engaged in interstate business. Publicity is the only sure remedy which we can now invoke. What further remedies are needed in the way of governmental regulation, or taxation, can only be determined after publicity has been obtained, by process of law, and in the course of administration. The first requisite is knowledge, full and complete-knowledge which may

be made public to the world. Artificial bodies, such as corporations and joint stock or other associations, depending upon any statutory law for their existence or privileges, should be subject to proper governmental supervision, and full and accurate information as to their operations should be made public regularly at reason-

The large corporations, commonly called trusts, though organized in one State, always do business in many States, often doing very little business in the State where they are incorporated. There is utter tack of uniformity in the State laws about them; and as no State has any exclusive interest in or power over their acts. It has in practice proved impossible to get adequate regulation through State action. Therefore, in the interest of the whole people, the Nation should, without interfering with the power of the States in the matter itself, also assume power of supervision and regulation over all corporations doing an interstate business. This is especially true where the corporation derives a portion of its wealth from the existence of some monopolistic element or tendency in its business. There would be no hardship in such supervision; banks are subject to it, and in their case it is now accepted as a simple matter of course. Indeed, it is probable that supervision of corporations by the National Government need not go so far as is now the case with the supervision exercised over them by so conservative a State as Massachusetts, in order to produce excellent re-

When the Constitution was adopted, at the end of the eighteenth century, no changes, alike in industrial and political conditions, which were to take place by the beginning of the twentieth century. At that time it was accepted as a matter of course that the several States were the proper authorities to regulate, so far as was then necessary, the comparatively insignificant and strictly localized corporate bodies of the day. The conditions are now wholly different and wholly different action is called for. I believe that a law can be framed which will enable the National Government to exercise control along the lines above indicated; profiting by the experience gained through the passage and administration of the Interstate-Commerce Act. If, however, the judgment of the Congress is that it lacks the constitutional power to pass such an act, then a constitutional amendment should be submitted to confer

A New Cabinet Officer.

There should be created a Cabinet officer, Industries, as provided in the bill introduced at the last session of the Congress It should be his province to deal with commerce in its broadest sense; including among many other things whatever concerns labor and all matters affecting the great business corporations and our mer-

The course proposed is one phase of what should be a comprehensive and far-reaching scheme of constructive statesmanship for the purpose of broadening our markets, securing our business interests on a safe basis, and making firm our new position in the international industrial world; while scrupulously safeguarding the rights of wage-worker and capitalist, of investor and private citizen, so as to secure equity as between man and man in this Republic. With the sole exception of the farming interest, no one matter is of such vital moment to our whole people as the welfare of the wage-workers. If the farmer and the wageworker are well off, it is absolutely certain that all others will be well off, too. It is therefore a matter for hearty congratulation that on the whole wages are higher today in the United States than ever before in our history, and far higher than in any other country. The standard of living is also higher than ever before. Every effort of legislator and administrator should be bent to secure the permanency of this condition of things and its improvement wherever possible. Not only must our labor be protected by the tariff, but it should also be protected so far as it is possible from the presence in this country of any laborers brought over by contract, or of those who. coming freely, yet represent a standard of living so depressed that they can undersell our men in the labor market and drag them to a lower level. I regard it as necessary with this end in view, to re-enact immediately the law excluding Chinese laborers and to strengthen it wherever necessary in order to make its enforcement entirely ef-

fective. The National Government should demand the highest quality of service from its employes; and in return it should be a good employer. If possible legislation should be passed, in connection with the Interstate Commerce Law, which will render effective the efforts of different States to do away with the competition of convict contract labor in the open labor market. So far as practicable under the conditions of Government work, provision should be made to render the enforcement of the eight-hour law easy and certain. In all industries carried on directly or indirectly for the United States Government women and children should be protected from excessive hours of labor, from night work, and from work under unsanitary conditions. The Government should provide in its contracts that all work should be done under "fair" conditions, and in addition to setting a high standard should uphold it by proper inspection, extending if necessary to the subcontractors. The Government should forbid all night work for women and children, as well as excessive overtime. For the District of Columbia a good factory law should be passed: and, as a powerful indirect aid to such laws, provision should be made to turn the inhabited alleys, the existence of which is a reproach to our Capital City, into minor streets, where the inhabitants can live under conditions favorable to health and morals.

American wage-workers work with their heads as well as their hands. Moreover, they take a keen pride in what they are doing; so that, independent of the reward, they wish to turn out a perfect job. This is the great secret of our success in competition with the labor of foreign countries.

The Question of Labor.

The most vital problem with which this country, and for that matter the whole civilized world, has to deal, is the problem which has for one side the betterment social conditions, moral and physical, in large cities, and for another side the effort to deal with that tangle of far-reaching questions which we group together when we speak of "labor." The chief factor in

the success of each man-wage-worker, farmer and capitalist alike-must ever be the sum total of his own individual qualities and abilities. Second only to this comes the power of acting in combination or association with others. Very great good has been and will be accomplished by associations or unions of wage-workers, when managed with forethought, and when they combine insistence upon their own rights with law-abiding respect for the rights of others. The display of these qualities in such bodies is arduty to the nation no.less than to the associations themselves. Finally, there must also in many cases be action by the government in order to safeguard the rights and intrests of all. Under our Constitution there is much more scope for such action by the state and the municipality than by the nation. But on points such as those touched on above the national gov-

ernment can act. When all is said and done, the rule of brotherhood remains as the indispensable prerequisite to success in the kind of national life for which we strive. Each man must work for himself and unless he so works no outside help can avail him; but each man must remember also that he is indeed his brother's keeper, and that while no man who refuses to walk can be carried with advantage to himself or any one else, yet that each at times stumbles or halts, that each at times needs to have the helping hand outstretched to him. To be permanently effective, aid must always take the form of helping a man to help himself; and we can all best help ourselves by joining together in the work that is of common interest to all

Our present immigration laws are unsatisfactory. We need every honest and efficient immigrant fitted to become an American citizen, every immigrant who comes here to stay, who brings here a strong body, a stout heart, a good head, and a resolute purpose to do his duty well in every way and to bring up his children as law-abiding and God-fearing members of the community. But there should be comprehensive law enacted with the object of working a three-fold improvement over our present system. First, we should aim to exclude absolutely not only all persons who are known to be believers in anarchistic principles or members of anarchistic socleties, but also all persons who/are of a low moral tendency or of unsavory reputation. This means that we should require a more thorough system of inspection abroad and a more rigid system of examination at our immigration ports, the former being especially necessary. The second object of a proper immigra-

tion law ought to be to secure by a careful and not merely perfunctory educational test some intelligent capacity to appreciate American institutions and act sanely as American citizens. This would not keep human wisdom could foretell the sweeping out all anarchists, for many of them belong to the intelligent criminal class. But it would do what is also in point, that is, tend to decrease the sum of ignorance, so potent in producing the envy, suspicion, malignant passion, and hatred of order, out of which anarchistic sentiment inevitably springs. Finally, all persons should be excluded who are below a certain standard of economic fitness to enter our industrial field as competitors with American labor. There should be proper proof of personal capacity to earn an American living and enough money to insure a decent start under American conditions. This would ston the influx of cheap labor, and the resulting competition which gives rise to so much of bitterness in American industrial life; and it would dry up the springs of the pestilential social conditions in our great cities, where anarchistic organizations have their greatest possibility of growth.

Both the educational and economic tests in a wise immigration law should be deto be known as Secretary of Commerce and signed to protect and elevate the general body politic and social. A very close supervision should be exercised over the steam ship companies which mainly bring over the immigrants, and they should be held to a strict accountability for any infraction

of the law. The Present Tariff System

There is general acquiescence in our present tariff system as a national policy. The first requisite to our prosperity is the continuity and stability of this economic policy. Nothing could be more unwise than to disturb the business interests of the country by any apprehension, uncertainty are exactly what we most wish to avoid in the interests of our commercial and material well-being. Our experience in the past has shown that sweeping revisions of the tariff are apt to produce conditions closely approaching panic in the business world. Yet it is not only possible, but eminently desirable, to combine with the stability of our economic system a supplementary system of reciprocal benefit and obligation with other nations. Such reciprocity is an incident and result of the firm establishment and preservation of our present economic policy. It was specially provided for in the present

tariff law. Reciprocity must be treated as the handmaiden of protection. Our first duty is to see that the protection granted by the tariff n every case where it is needed is maintained, and that reciprocity be sought for so far as it can safely be done without injury to our home industries. Just how far this is must be determined according to the individual case, remembering always that every application of our tariff policy to meet our shifting national needs must be conditioned upon the cardinal fact that the duties must never be reduced below the point that will cover the difference between the labor cost here and abroad. The wellbeing of the wage-worker is a prime consideration of our entire policy of economic legislation.

Subject to this proviso of the proper pro tection necessary to our industrial wellbeing at home, the principle of reciprocity must command our hearty support. The phenomenal growth of our export trade emphasizes the urgency of the need for wider markets and for a liberal policy in dealing with foreign nations. Whatever s merely petty and vexatious in the way of trade restrictions should be avoided. The customers to whom we dispose of our surplus products in the long run, directly or indirectly, purchase those surplus products by giving us something in return. Their ability to purchase our products should as far as possible be secured by so arranging our tariff as to enable us to take from them those products which we can use without harm to our own industries and labor, or

the use of which will be of marked benefit It is most important that we should maintain the high level of our present prosperity. We have now reached the point in the development of our interests where we are not only able to supply our own markets but to produce a constantly growing surplus for which we must find markets abroad. To secure these markets we can utilize existing duties in any case where they are no longer needed for the purpose of protection, or in any case where the article is not produced here and the duty is no longer necessary for revenue, as giving us something to offer in exchange for what we ask. The cordial relations with other nations which are so desirable will naturally be promoted by the course thus required

by our own interests. The natural line of development for a policy of reciprocity will be in connection with those of our productions which no onger require all of the support once needed to establish them upon a sound basis and with those others where either because of natural or of economic causes we are beyond the reach of successful competition.

I ask the attention of the Senate to the

eciprocity treaties laid before it by my Merchant Marine.

The condition of the American merchant

marine is such as to call for immediate remedial action by the Congress. It is pend upon them. The preservation of our discreditable to us as a nation that our nificant in comparison to that of other nations which we overtop in other forms of business. We should not longer submit to conditions under which only a trifling portion of our great commerce is carried in things would not merely serve to build up our shipping interests, but it would also result in benefit to all who are interested in the permanent establishment of a wider market for American products, and would provide an auxiliary force for the navy. Ships work for their own countries just as railroads work for their terminal points. Shipping lines, if established to the principal countries with which we have deal-

ings, would be of political as well as commercial benefit. From every standpoint it is unwise for the United States to continue to rely upon the ships of competing nations for the distribution of our goods. It should be made advantageous to carry American goods in American-built ships. At present American shipping is under certain great disadvantages when put in competition with the shipping of foreign countries. Many of the fast foreign steamships, at a speed of fourteen knots or above, are subsidized; and all our ships, sailing vessels and steamers alike, cargo carriers of slow speed and mail carriers of high speed, have to meet the fact that the original cost of building American ships is greater than is the case abroad; that the wages paid American officers and seamen are very much higher than those paid the officers and seamen of foreign competing countries; and that the standard of living on our ships is far superior to the standard of living on the ships

of our commercial rivals. Our government should take such action as will remedy these inequalities. The American merchant marine should be restored to the ocean.

The Gold Standard.

The act of March 14, 1900, intended unequivocally to establish gold as the standard money and to maintain at a parity

therewith all forms of money medium in use with us, has been shown to be timely and judicious. The price of our government bonds in the world's market, when compared with the price of similar obligations issued by other nations, is a flattering tribute to our public credit. This condition it is evidently desirable to main-

In many respects the national banking law furnishes sufficient liberty for the proper exercise of the banking function: but there seems to be need of better safeguards against the deranging influence of commercial crises and financial panics. Moreover, the currency of the country should be made responsive to the demands of our domestic trade and commerce.

The collections from duties and imports and internal taxes continue to exceed the ordinary expenditures of the government, thanks mainly to the reduced army expenditures. The utmost care should be taken not to reduce the revenues so that there will be any possibility of a deficit; but, after providing against any such contingency, means should be adopted which will bring the revenues more nearly within the limit of our actual needs. In his report to the Congress the Secretary of the Treasury considers all these questions at length, and I ask your attention to the report and recommendations

I call special attention to the need of strict economy in expenditures. The fact that our national needs forbid us to be niggardly in providing whatever is actually necessary to our well-being, should make us doubly careful to husband our national resources, as each of us husbands his private resources, by scrupulous reckless expenditure. Only by avoidance of spending money on what is needless or unjustifiable can we legitimately keep our income to the point required to meet our needs that are genuine.

In 1887 a measure was enacted for the regulation of interstate rallways, commonly known as the Interstate Commerce Act. The cardinal provisions of that act were that railway rates should be just and reasonable and that all shippers, localities. and commodities should be accorded equal treatment. A commission was created and endowed with what were supposed to be the necessary powers to execute the provisions of this act.

That law was largely an experiment Experience has shown the wisdom of its purposes, but has also shown, possibly that some of its requirements are wrong certainly that the means devised for the enforcement of its provisions are defective. Those who complain of the manage ment of the railways allege that established rates are not maintained; that rebates and similar devices are habitually resorted to; that these preferences are usually in favor of the large shipper; that they drive out of business the smaller competitor; that while many rates are too low many others are excessive; and that gross preferences are made, affecting both locali ties and commodities. Upon the other hand, the railways assert that the law by its very terms tends to produce many of these illegal practices by depriving carriers of that right of concerted action which they claim is necessary to establish and maintain non-discriminating rates.

The act should be amended. The railway is a public servant. Its rates should be just to and open to all shippers alike. The Government should see to it that within its jurisdiction this is so and should provide a speedy, inexpensive, and effective remedy to that end. At the same time it must not be forgotten that our railways are the arteries through which the commercial lifeblood of this Nation flows Nothing could be more foolish than the enactment of legislation which would unnecessarily interfere with the development and operation of these commercial agencles. The subject is one of great importance and calls for the earnest attention of

Department of Agriculture.

The Department of Agriculture during the past fifteen years has steadily broadened its work on economic lines, and has accomplished results of real value in upbuilding domestic and foreign trade. It has gone into new fields until it is now in touch with all sections of our country and with two of the island groups that have lately come under our jurisdiction, whose people must look to agriculture as a livelihood. It is searching the world for grains, grasses, fruits, and vegetables specially fitted for introduction into localities in the several States and Territories where they may add materially to our resources. By scientific attention to soil survey and possible new crops, to breeding of new varie ties of plants, to experimental shipments. to animal industry and applied chemistry, very practical aid has been given our farm ing and stock-growing interests. The products of the farm have taken an unprecedented place in our export trade during the year that has just closed. Public opinion throughout the United

States has moved steadily toward a just appreciation of the value of forests, wheth er planted or of natural growth. The grea part played by them in the creation and nance of the national wealth is now more fully realized than ever before. Wise forest protection does not mean the

withdrawal of forest resources, whether of wood, water or grass, from contributing their full share to the welfare of the people, but, on the contrary, gives the assur ance of larger and more certain sur The fundamental idea of forestry is the perpetuation of forests by use. Forest protec-tion is not an end of itself; it is a means

our country and the industries which deforests is an imperative business necessity. We have come to see clearly that whatever destroys the forest, except to make way for agriculture, threatens our well-be-

The practical usefulness of the national forest reserves to the mining, grazing, irrigation and other interests of the regions in which the reserves lie has led to a widespread demand by the people of the west for their protection and extension. The forest reserves will inevitably be of still greater use in the future than in the past. Additions should be made to them whenever practicable, and their usefulness should be increased by a thoroughly business-like management.

At present the protection of the forest reserves rests with the General Land Office, the mapping and description of their timber with the United States Geological Survey, and the preparation of plans for their conservative use with the Bureau of Forestry, which is also charged with the general advancement of practical forestry in the United States. These various functions should be united in the Bureau of Forestry, to which they properly belong. The present diffusion of responsibility is bad from every standpoint. It prevents that effective co-operation between the Government and the men who utilize the resources of the reserves, without which the interests of both must suffer. The scientific bureaus generally should be put under the Department of Agriculture. The President should have by law the power of transferring lands for use as forest reserves to the Department of Agriculture. He already has such power in the case of lands needed by the Departments of War and the Navy. The wise administration of the forest re

serves will be not less helpful to the interests which depend on water than to those which depend on wood and grass. The water supply itself depends upon the forest. In the arid region it is water, not land, which measures production. The western half of the United States would sustain a population greater than that of our whole country today if the waters that now run to waste were saved and used for irrigation. The forest and water problems are perhaps the most vital internal questions of the United States. Certain of the forest reserves should also

be made preserves for the wild forest creatures. All of the reserves should be better protected from fires. Many of them need special protection because of the great infury done by live stock, above all by sheep. The increase in deer, elk, and other animals in the Yellowstone Park shows what may be expected when other mountain forests are properly protected by law and properly guarded. Some of these areas have been so denuded of surface vegetation by overgrazing that the ground breeding birds, including grouse and quail, and many mammals, including deer, have been exterminated or driven away. At the same time the water-storing capacity of the surface has been decreased or destroyed, thus chises to the public utilities of cities. A few promoting floods in times of rain and di- of the Western States have already recog-In cases where natural conditions have

been restored for a few years, vegetation neighborhood, come each summer to enjoy the privilege of camping. Some at least of the forest reserves should afford perpetual protection to the native fauna and flora, safe havens of refuge to our rapand recreation in the splendid forests and The forest reserves should be set apart forever for the use and benefit of our people as a whole and not sacrificed to the shortsighted greed of a few.

The forests are natural reservoirs. By restraining the streams in flood and replenishing them in drought they make pos-They prevent the soil from washing, and so protect the storage reservoirs from fill- future generations. ing up with silt. Forest conservation is therefore an essential condition of water conservation.

Reclamation of Arid Lands.

regulate and conserve the waters of the arid region. Great storage works are necessary to equalize the flow of streams and to save the flood waters. Their construction has been conclusively shown to be an undertaking too vast for private effort. Nor can it be best accomplished by the individual States acting alone. Farreaching interstate problems are involved: and the resources of single States would often be inadequate. It is properly a national function, at least in some of its features. It is as right for the National Gov ernment to make the streams and rivers of the arid region useful by engineering works for water storage as to make use ful the rivers and harbors of the humid region by engineering works of anothe kind. The storing of the floods in reservoirs at the headwaters of our rivers is but an enlargement of our present policy of river control, under which levees are built on the lower reaches of the same

streams. The Government should construct and maintain these reservoirs as it does other public works. Where their purpose is to regulate the flow of streams, the water should be turned freely into the channels in the dry season to take the same course under the same laws as the natural flow.

The reclamation of the unsettled arid public lands presents a different problem. Here it is not enough to regulate the flow of streams. The object of the Government is to dispose of the land to settlers who will build homes upon it. To accomplish this object water must be brought within their reach.

The pioneer settlers on the arid public domain chose their homes along streams from which they could themselves divert the water to reclaim their holdings. Such opportunities are practically gone. There remain, however, vast areas of public land which can be made available for homestead settlement, but only by reservoirs and main-line canals impracticable for private enterprise. These irrigation works should be built by the National Government. The lands reclaimed by them should be reserved by the Government for actual settlers, and the cost of construction should so far as possible be repaid by the land reclaimed. The distribution of the water. the division of the streams among irrigators, should be left to the settlers themselves in conformity with State laws and without interference with those laws or with vested rights. The policy of the National Government should be to aid irrigation in the several States and Territories in such manner as will enable the people in the local communities to help them selves, and as will stimulate needed reforms in the State laws and regulations governing irrigation. The reclamation and settlement of the

arid lands will enrich every portion of our country, just as the settlement of the Ohk and Mississippi valleys brought prosperity to the Atlantic states. The incres mand for manufactured articles will stimulate industrial production, while wider home markets and the trade of Asia will consume the larger food supplies and effectually preculture. Indeed, the products of irrigation will be consumed chiefly in upbuilding local centers of mining and other industries, which would otherwise not come into existto increase and sustain the resources of ence at all. Our people as a whole

profit, for successful home making is but another name for the upbuilding of the na

The necessary foundation has already been laid for the inauguration of the policy just described. It would be unwise to begin by doing too much, for a great deal will doubtless be learned, both as to what can and what cannot be safely attempted, by the early efforts, which must of necessity be partly experimental in character. At the very beginning the government should make clear, beyond shadow of doubt, its intention to pursue this policy on lines of the broadest public interest. No reservoir or canal should ever be built to satisfy selfish personal or local interests; but only in accordance with the advice of trained experts. after long investigation has shown the locality where all the conditions combine to make the work most needed and fraught with the greatest usefulness to the community as a whole. There should be no extravagance, and the believers in the need of irrigation will most benefit their cause by seeing to it that it is free from the least taint of excessive or reckless expenditure of the public moneys. Whatever the Nation does for the exten-

sion of irrigation should harmonize with, and tend to improve, the condition of those now living on irrigated land. We are not at the starting point of this development. Over two hundred millions of private capital has already been expended in the construction of irrigation works, and many million acres of arid land reclaimed. A high degree of enterprise and ability has been shown in the work itself; but as much cannot be said in reference to the laws relating thereto. The security and value of the homes created depend largely on the stability of titles to water; but the majority of these rest on the uncertain foundation of court decisions rendered in ordinary suits at law. With a few creditable exceptions, the arid states have failed to provide for the certain and just division of streams in times of scarcity. Lax and uncertain laws have made it possible to establish rights to water in excess of actual uses or necessities, and many streams have already passed into private ownership, or a control equivalent to ownership.

Whoever controls a stream practically controls the land it renders productive, and the doctrine of private ownership of water apart from land cannot prevail without causing enduring wrong. The recognition of such ownership, which has been permitted to grow up in the arid regions, should give way to a more enlightened and larger recognition of the rights of the public in the control and disposal of the public water supplies. Laws founded upon conditions obtaining in humid regions, where water is too abundant to justify hoarding it, have no proper application in a dry country.

In the arld states the only right to water which should be recognized is that of use. In irrigation this right should attach to the iand reclaimed and be inseparable therefrom. Granting perpetual water rights to others than users, without compensation to the public, is open to all the objections which apply to giving away perpetual franminishing the flow of streams between nized this, and have incorporated in their constitutions the doctrine of perpetual State ownership of water.

The benefits which have followed the un has again carpeted the ground, birds and aided development of the past justify the deer are coming back, and hundreds of Nation's aid and cooperation in the more persons, especially from the immediate difficult and important work yet to be accomplished. Laws so vitally affecting homes as those which control the water supply will only be effective when they have the sanction of the irrigators: reforms can only be final and satisfactory idly diminishing wild animals of the larger | when they come through the enlightenment kinds, and free camping grounds for the of the people most concerned. The larger ever-increasing numbers of men and wo-development which national aid insures. men who have learned to find rest, health, should, however, awaken in every arid State the determination to make gation system equal in justice and effectiveness that of any country in the civilized world. Nothing could be more unwise than for isolated communities to continue to learn everything experimentally, instead of profiting by what is already known elsewhere. We are dealing with a new and momentous question, in the pregnant years sible the use of waters otherwise wasted. while institutions are forming, and what we do will affect not only the present but

> Our aim should be not simply to reclaim the largest area of land and provide homes for the largest number of people, but to create for this new industry the best possible social and industrial conditions; and this requires that we not only understand the existing situation, but avail ourselves of the best experience of the time in the solution of its problems. A careful study should be made, both by the Nation and the States, of the irrigation laws and conditions here and abroad. Ultimately it will probably be necessary for the Nation to cooperate with the several arid States in proportion as these States by their legislation and administration show themselves fit to

Insular Affairs.

In Hawaii our aim must be to develop the Territory on the traditional American lines. We do not wish a region of large estates tilled by cheap labor; we wish a healthy American community of men who themselves till the farms they own. All our legislation for the islands should be shaped with this end in view; the wellbeing of the average home-maker must afford the true test of the healthy development of the islands. The land policy should as nearly as possible be modeled on our homestead system.

It is a pleasure to say that it is hardly more necessary to report as to Porto Rico than as to any State or Territory within our continental limits. The island is thriving as never before, and it is being administered efficiently and honestly. Its people are now enjoying liberty and order under the protection of the United States, and upon this fact we congratulalte them and ourselves. Their material welfare must be as carefully and jealously considered as the welfare of any other portion of our country. We have given them the great gift of free access for their products to the markets of the United States. I ask the attention of the Congress to the need of legislation concerning the public lands of Porto Rico.

In Cuba such progress has been made toward putting the independent government of the island upon a firm footing that before the present session of the Congress closes this will be an accomplished fact. Cuba will then start as her own mistress; and to the beautiful Queen of the Antilles. as she unfolds this new page of her destiny, we extend our heartiest greetings and good wishes. Elsewhere I have discussed the question of reciprocity. In the case of Cuba, however, there are weighty reasons of morality and of national interest why the policy should be held to have a pecullar application, and I most earnestly ask your attention to the wisdom, indeed to the vital need, of providing for a substantial reduction in the tariff duties on Cuban imports into the United States. Cuba has in ner constitution affirmed what we desired that she should stand, in international matters, in closer and more friendly relations with us than with any other power; and we are bound by every consideration of honor and expediency to pass commercial measures in the interest of her material

Problem in the Philippines.

In the Philippines our problem is larger. They are very rich tropical islands, inhabited by many varying tribes, representing widely different stages of progress toward civilization. Our earnest effort is to help these people upward along the stony and difficult path that leads to self-government. We hope to make our administration of the islands honorable to our Nation by making it of the highest benefit to the Fili-